

Montana Infrastructure Investments & State Assistance with Local Government Infrastructure

The attached table includes data from several sources that provides historical data on the infrastructure investments of the Montana state government both as related to the state's investment and the state's assistance with local government infrastructure. The data ranges between FY 2002 and FY 2016.

The section of the figure titled "Capital Expenditures" consists of all expenditures from the state accounting system from capital expenditure accounting codes (64000 accounts). These expenditures primarily include 1) facility construction and major (depreciable) maintenance, 2) land acquisitions and improvements, and 3) information technology builds. Omitted from this data are non-budgeted accrual adjustments and depreciation offsets.

The section titled "Capitalized Expenditures" are the amounts provided to the LFD by the agencies that within their normal accounting functions capitalize expenditures, instead of showing the capital expenditures directly in the accounting code. The two agencies shown, the Department of Transportation and the Montana University System, include the following reasons for the difference in accounting practices:

- Department of Transportation spends from operating expenses in the construction of highways and roadways. Contractor payments for highway construction are generally accounted for in operating expenses and much of the engineering for highway construction projects is accounted for in the personal services. Ultimately, the highways become an asset for the state and subsequently the expenditures are compiled and capitalized.
- The Montana University System (MUS) uses a different accounting system than the rest of Montana state government. Functionally, MUS backs out expenditures for building construction and major maintenance and then capitalize those expenses.

The section titled "Grants Funding" are grants to local governments from specific grant programs. This section may not be fully inclusive, but provides the grant expenditures for many of the well-known programs. In the full grants data for the Department of Transportation, I factored out transit grants. The Department of Transportation grants data includes the distribution of gasoline taxes to the local governments. The Fish, Wildlife, and Parks grants are those that are distributed through the agency's capital program.

The section titled "Local Government Assistance" includes the state's participation in paying school district debt related to facility construction and facility improvement distributions to the districts. These were HB 2 appropriations and the amounts may not be fully inclusive of all the K-12 facility assistance from the state over time.

In the data provided, the highway construction expenditures average 71% of the total of these capital investments. State government capital expenditures average 16% of the total. Looking at the values between FY 2002 and FY 2015, the state capital expenditures including those of the university system for building construction and major maintenance, these expenditures average 19% of the total. Grants average 9% of the total. Starting in FY 2006, the state has provided an annual average of \$16.7 million in assistance for K-12 school facilities, and the lowest amount of funding for school facilities occurred in FY 2016, when the state contributed \$4.0 million to school districts to assist with bond reimbursements.

State of Montana Government Capital Expenditures and Investment in Local Infrastructure Includes Federally Funded Expenditures Made Through State Government																
Capital Expenditures																
Agency	Primary Use	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Commissioner of Political Practices	Facility	0	0	0	0	0	0	0	0	0	0	0	0	0	137,732	0
Environmental Quality	Land and Facility	0	0	0	0	0	0	490,338	0	0	0	0	0	0	15,283	0
Labor & Industry	Facility	4,385	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Military Affairs	Facility construction and maintenance	9,526,165	7,150,187	4,466,633	18,663,823	10,780,163	5,271,407	7,962,496	10,120,524	19,497,830	5,629,306	1,948,358	1,901,777	12,004,175	5,494,895	18,613,293
Natural Resources & Conservation	Land acquisition / maintenance	265,691	119	75	0	121,347	9,156,781	69,788	6,372,614	122,204	28,307,122	11,128	7,359,537	0	1,185,000	3,014,267
Administration	Building construction and maintenance / IT builds	74,725	618,496	527,263	277,778	160,023	127,235	236,515	3,709,690	1,739,260	2,811,078	242,229	164,580	1,486,094	0	0
Corrections	Facilities	245,770	11,697	(30,004)	0	(532,058)	0	74,940	106,360	88,847	42,509	35,464	106,302	61,719	2,419	6,070
Commerce	Facilities / historic preservation	0	0	88,543	90,227	28,425	116,943	0	146,845	28,840	23,698	31,536	0	0	0	345,334
Justice	Facilities	0	0	0	0	0	107,247	0	0	0	0	0	0	0	61,224	0
Revenue	Facilities / IT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39,980
Public Health & Human Ser.	Facilities / IT	138,298	(29,444)	0	80,334	89,297	3,710	0	154,802	0	0	0	0	0	48,000	19,250
Fish, Wildlife, & Parks	Land acquisition / land improvements / maintenance / facilities maintenance	2,938,177	18,003,395	12,133,740	10,103,433	15,598,116	9,815,329	20,658,121	22,449,180	24,208,658	31,834,584	13,557,811	28,514,690	6,792,685	12,061,161	19,370,679
Long-Range Building	Facility construction and maintenance	31,883,407	21,941,792	19,258,548	18,143,938	34,033,368	71,275,966	72,520,220	88,485,837	84,784,222	61,202,981	33,426,169	21,499,373	30,349,253	33,330,590	49,386,766
Transportation	Facility construction and maintenance	10,129,494	10,660,686	15,786,081	16,640,608	14,298,598	18,071,538	15,978,567	18,454,033	28,219,416	10,766,428	8,488,902	8,560,217	12,961,908	8,345,719	9,425,593
Historical Society	Facility	28,771	8,716	0	0	0	0	0	0	0	0	0	0	0	0	0
State Fund	Facility	0	0	0	0	0	0	0	0	0	106,155	0	0	0	0	0
Public Service Commission		0	0	0	0	0	0	0	0	0	0	0	0	0	323	(323)
School of Deaf & Blind	Facility	26,175	0	34,621	0	0	0	0	4,212	0	0	0	0	0	0	0
Total Capital Expenditures		\$55,261,059	\$58,365,643	\$52,265,499	\$64,000,142	\$74,577,279	\$113,946,157	\$117,990,985	\$150,004,097	\$158,689,276	\$140,723,862	\$57,741,598	\$68,106,476	\$63,655,834	\$60,682,346	\$100,220,909
Capitalized Expenditures																
MDT Highway	Capitalized highway	253,566,042	304,134,270	312,702,003	325,616,795	355,601,237	380,323,849	378,266,748	423,280,968	497,984,231	455,115,558	483,245,202	422,757,194	439,605,546	426,376,861	416,064,772
University System	Capitalized building construction and maintenance	9,624,743	10,535,085	11,338,183	11,712,834	12,622,136	13,220,129	14,294,260	15,075,137	15,825,850	9,121,260	25,590,807	12,673,979	20,405,036	22,692,042	
Total Capitalized Expenditures		\$263,190,786	\$314,669,355	\$324,040,187	\$337,329,629	\$368,223,373	\$393,543,979	\$392,561,008	\$438,356,105	\$513,810,081	\$464,236,818	\$508,836,009	\$435,431,173	\$460,010,582	\$449,068,903	\$416,064,772
Grant Funding																
Treasure State Endowment Program	Water/Wastewater/Solid Waste/Bridges		11,090,162	2,849,248	12,601,451	1,413,258	14,635,975	2,280,048	26,810,974	6,918,589	25,951,091	832,855	13,645,663	3,357,980	29,953,567	1,148,923
Community Development Block Grants (federal)	Water/Wastewater/Economic Development	6,554,451	7,483,345	9,007,729	8,288,280	10,133,003	10,499,625	10,654,782	4,522,496	7,115,375	6,137,756	3,898,043	5,602,359	4,266,830	3,616,778	7,266,086
Coal Board Grants	Various Infrastructure Projects									2,394,135	3,046,945	1,584,338	4,316,999	997,285	2,772,544	2,415,421
Quality Schools Facilities Grant Program	K-12 Facility Projects								52,932	33,199,500	12,536,599	4,387,113	6,671,422	4,168,649	7,303,710	(46,980)
TSEP Regional Water	Regional Water Projects				1,174,256	0	1,173,100	0	1,000,000	0	6,949,985	1,869,623	2,050,377	4,246,649	12,753,351	433,992
Transportation Grants	Airport	293,054	316,614	517,664	396,719	474,510	448,604	535,093	416,813	502,171	461,185	458,323	403,510	386,052	538,223	374,103
Transportation Grants	City Roads	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000	10,360,000
Transportation Grants	County Roads	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000	6,306,000
Transportation Grants	Highway and Roads	3,275,281	7,680,688	3,546,651	7,369,295	4,924,266	4,224,070	1,640,559	124,586	8,511,271	12,086,745	14,298,304	4,530,246	7,291,762	7,619,887	11,556,021
Various Fish, Wildlife, & Parks Capital Grants	FWP Capital Grants	36,336	560,036	920,624	1,150,843	1,213,785	1,301,071	1,551,439	1,079,306	1,490,492	1,751,152	1,250,604	1,434,423	1,672,573	1,618,983	1,546,827
ARRA Grants for Capital Projects	Various Infrastructure Projects	0	0	0	0	0	0	0	110,000	18,212,636	5,347,738	(2,278)	0	0	0	0
Total Grant Funding		\$26,825,121	\$43,796,846	\$33,507,916	\$47,646,844	\$34,824,823	\$48,948,445	\$33,327,921	\$50,783,107	\$95,010,169	\$90,935,196	\$45,242,925	\$55,320,999	\$43,053,779	\$82,843,044	\$41,360,393
Local Government Assistance																
Public Instruction - Debt Reimbursement and Facilities	K-12 Facilities	4,216,183	3,990,862	8,270,735	8,411,293	11,435,508	31,394,859	9,744,392	8,657,176	8,581,796	7,420,970	8,586,000	8,586,000	8,586,000	8,086,000	4,000,000
Total Local Government Assistance		\$4,216,183	\$3,990,862	\$8,270,735	\$8,411,293	\$11,435,508	\$31,394,859	\$9,744,392	\$8,657,176	\$8,581,796	\$7,420,970	\$8,586,000	\$8,586,000	\$8,586,000	\$8,086,000	\$4,000,000
Total Capital Investments		\$349,493,149	\$420,822,706	\$418,084,338	\$457,387,909	\$489,060,983	\$587,833,440	\$553,624,306	\$647,800,485	\$776,091,323	\$703,316,846	\$620,406,532	\$567,444,648	\$575,306,195	\$600,680,293	\$561,646,075